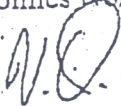




COUNCIL OF THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20001

To: US Congressman Tom Davis
US Delegate Eleanor Holmes Norton

From: Vincent B. Orange, Sr. 
Chairman
DC Committee on Government Operations

Re: DC Inspector General Charles C. Maddox

Date: March 5, 2003

On March 3, 2003 a unanimous DC Council introduced the "Inspector General Qualifications Amendment Act of 2003". This bill provides for minimum qualifications for the position of Inspector General. Pursuant to the Bill, the Inspector General shall be appointed without regard to party affiliation; on the basis of integrity, a minimum of 7 years of supervisory and management experience, a minimum of 7 years demonstrated experience and ability in law, accounting, auditing, financial management analysis, public administration or investigations.

The Inspector General shall be a resident of DC for at least one year immediately preceding appointment. The IG shall be a graduate of an accredited law school and a member in good standing of the bar of the District of Columbia for at least 7 years and shall have 7 years experience in the practice of law; or a licensed District of Columbia certified public accountant for at least 7 years and 7 years experience in the practice of accounting, tax or financial consulting.

A person who does not meet these requirements on June 1, 2003 shall not continue to hold the position and the position shall be vacant. A copy of the Bill is attached.

This Bill was prompted in part by Inspector General Charles Maddox's failure to investigate the Curtis Lewis & Associates DC Contracts. In July 2001, an employee of the DC Office of Human Rights informed the Inspector General that contracts were being steered to Curtis Lewis, the brother of Washington Teachers' Union treasurer, James O. Baxter II, because he was well connected to the Mayor. Clearly, the IG had an opportunity and obligation to investigate these allegations in 2001, and perhaps expose one of the biggest scandals in DC history.

This memo is being faxed to you with the Bill and the letters described above. A hard copy and all attachments identified in the letters will be sent to you. If you have any questions please do not hesitate to call me on 202-724-8028.



COUNCIL OF THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20001

March 5, 2003

The Honorable Anthony A. Williams
Mayor
District of Columbia
John A. Wilson Building, Sixth Floor
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Re: DC Inspector General Charles C. Maddox's Failure to Investigate Curtis
Lewis & Associates DC Contracts

Dear Mayor Williams:

On January 28, 2003, I was informed by an employee of the DC Office of Human Rights (OHR) that on July 20, 2001, that the employee had e-mailed the Office of the Inspector General stating, among other things, "violations by Holman [Director of OHR] regarding contract awards to Curtis Lewis and Associates that exceeded Holman's contracting authority . . . that Curtis Lewis was not producing quality legal services and their Letters of Determination [LODs] required additional and substantial work by the OHR Staff."

On July 30, 2001, the employee met with the Office of the Inspector General at 717 14th Street, NW, 5th Floor and stated, among other things, that "Holman was steering contracts to Curtis Lewis because Holman stated that he was ordered to give contracts to Curtis Lewis because Curtis Lewis was well connected to the Mayor."

On November 9, 2001, the employee met with the Office of the Inspector General at the Penn Branch OHR office. She presented a memorandum to the IG Special Agent at that meeting that contained, among other things, the following:

"5. Violation of D.C. contract and procurement laws:

A. Specifically authorize a contract with the law firm of Curtis Lewis and Associates for legal services without utilizing the proper bidding procedures and proposing a contract that exceeded the Director's contract limitation of \$25,000

1. February contract to write three (3) LOD at a cost of \$450 each
(Director did not review additional bids prior to approving this contract).

2. Proposed a contract to write 50 LOD's at a cost of \$700.00 each (proposed this even though Director knew that contract exceeded contract authority).

3. Subsequently entered into a contract with Curtis Lewis & Associates to write 32 LOD's at a cost of \$700.00 (Director knew that firm was not producing satisfactory work and the letters usually required substantial modifications).

4. Authorized a contract for Curtis Lewis & Associates to provide legal services for the Office that exceeded \$100,000.00. (Director has (sic) in his possession bids from other law firms that were lower than Curtis Lewis & Associates and Director knew or should have known (sic) that other law firms were better qualified and competent to perform the work)."

The employee presented to the DC Council exhibit C, which contained, among other things, a handwritten note from Charles Holman to the employee stating the following.

"Based on what you are telling me this contract doesn't seem like a good idea.
Please advise

Charles"

Exhibit C also contains a very revealing memo dated March 15, 2001 from the employee to Charles Holman. The memo states, among other things, the following:

"This memorandum relates to our prior conversation relating to the awarding of a contract to perform fifty (50) LOD's to the Law Firm of Curtis Lewis and Associates.

I stated to you that I did not expect these types of errors from a "law firm." I also indicated to you my concerns regarding rumors that current D.C. Government employees were drafting the LOD's for Curtis Lewis and the rumors that Curtis Lewis were (sic) paying writers or Subcontractors \$100.00 for each LOD that they prepared. As you know if D.C. employees are also employed by Curtis Lewis as subcontractors, this might be a serious ethical (sic) violation. However, even after communicating my concerns to you, you have indicated that you plan on providing them with contracts exceeding \$25,000.00. The reason that you gave me was that you were ordered to use Curtis Lewis and Associates because they were well connected to the Mayor.

I am very disturbed that it appears that you are not only considering Curtis Lewis only because they are well connected to the Mayor but also that you are considering paying them \$700 per Letter of Determination, an amount that is \$280.00 more than the going rate for our current contractors.

I would like you to take note of D.C. Personnel Manual [Section] 1816.2 that provides that employees should avoid the appearance or favoritism or preferential treatment by the District government toward its employees. Please be assured that I am not accusing you of having a private interest in this proposed contract with Curtis Lewis but I am concerned with respect to your motive for proposing to provide a contract to Curtis Lewis that exceeds the Office's contracting authority because Curtis Lewis is well connected to the Mayor."

Another handwritten note stated the following:

"Please I.d. 35 cases for Curtis Lewis L.O.Ds, give out 5 at a time only, please also get w George & Melissa to draw up p.o. and contract for 35 LODs @ \$700 each. Please do so by Thurs March 29.

Thanks CH

Clearly, the DC Inspector General Charles C. Maddox had an opportunity and obligation to investigate these allegations in 2001.

The Washington Post and the Washington Times presented articles on January 16, 2003, entitled, "Union Scandal Latest Headache For Williams/ Management Skills. Questioned"(Post) and "Williams: No ties to teachers union/ Tries to put scandal behind him"(Times). The Post article states in part

"Charles F. Holman III, has alleged that while he was head of the Office of Human Rights, Bullock demanded that he give a contract to a lawyer affiliated with the union. Holman, who was fired after complaints were made by subordinates, said that acting chief of staff Joy Arnold arranged to steer that contract to the lawyer.

Williams said yesterday that although the teachers union sought to exert influence, it was not to an inappropriate degree, and many of its requests were rejected. Even so, he promised to investigate that allegation."

The Washington Times article stated in part the following:

The Washington Times reported Sept. 14 that Mr. Holman had filed a \$55 million lawsuit against the city in which he states that Miss Bullock and Mrs. Hemphill had exerted pressure on him, through the mayor, to force him to extend a contract to Curtis Lewis, the brother of suspended union Treasurer James O. Baxter II.

On January 16, 2003, a Washington Post editorial entitled, "Doing the Union's Bidding" revealed that after arduous bargaining, representatives of the WTU and DC public school officials shook hands over a new contract and agreed to put their agreement in writing for

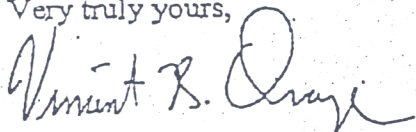
In 2002, the DC Committee on Government Operations passed a unanimous resolution of "no confidence" in the Inspector General of the District of Columbia Charles C. Maddox. The evidence obtained in a January 17, 2002 hearing from witnesses under oath and in subsequent submissions called into question Mr. Maddox's candor, credibility, integrity and ability to perform his duties as Inspector General.

On February 5, 2002, a unanimous DC Council passed a vote of "no confidence" in the Inspector General of the District of Columbia Charles C. Maddox and requested that he resign or be terminated.

Mr. Mayor, the Inspector General of the District of Columbia Charles C. Maddox must step down or be terminated. Mr. Maddox's candor, credibility, integrity and ability to perform his duties as Inspector General has been compromised beyond repair.

If you have any questions please call me on 202-724-8028.

Very truly yours,



Vincent B. Orange, Sr.

Chairperson

DC Committee on Government Operations

Cc: Members of the District of Columbia Council

John Koskinen, City Administrator

Kelvin Robinson, Chief of Staff, Executive Office of the Mayor

Gregory McCarthy, Deputy Chief of Staff, Executive Office of the Mayor

enclosures

MEMORANDUM

TO: Inspector General's Office

FROM: Office of Human Rights
Room 970N
441 4th Street, N.W.
Washington, D.C.

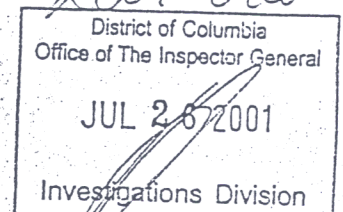
RE: Violation under the Whistleblower's Act

Date: July 20, 2001

The purpose of this memorandum is to inform this office that my manager, Charles Holman, who is the Director of the Office of Human Rights has engaged in a prohibited activity in accordance with D.C. Code §1-1177.2. There is also belief that Mr. Holman has violated D.C. Code § 1-1181.5 (d)(1)-(3). I can be contacted at (202) 727-0892 or at 301 780-5370. I will mail your office the evidence documenting this claim.

The following information justifies my belief with respect to the aforementioned violations. On or around March 2001, I received from my supervisor, Mr. Charles Holman, a copy of a invoice for services rendered prepared by P. Esq. Mr. P was the attorney contracted by the agency to represent the complainant in a matter entitled "Cox vs. Friends of Animals." I had only one prior conversation with Mr. P. This conversation centered around Mr. P's alleged nonperformance on the matter. The hearing officer in this matter had contacted me to inform me that various sanctions had been made against Mr. P for his failure to comply with Respondent's motions. I also prepared a letter dated February 27, 2001.

Mr. P's invoice requested payment for services rendered from November 2, 2000 through March 25, 2001. The invoice was for \$9,867.00 (75.9 hours at the rate of \$130.00 per hour). Mr. Holman instructed me to review the contact and determine whether all of the charges were valid. The starting point for this review was determining whether a contract existed for this invoice. I contacted , who at that time was the agency's contract administrator. Ms. reviewed all of the contacts in her filing cabinet and the contracts on her computer drive. The only contract for Mr. P that the Office had in its contract files was a contract for the period beginning September 20, 2000 and ending September 30, 2000. This contract was based on an hourly rate of \$130.00 per hour not to exceed \$3,250.00.



I indicated to Mr. Holman that I believe that the office could not pay the invoice since there was no valid contract. Mr. Holman then requested me to contact Mr. P to obtain a copy of the executed contract for the period referenced on the invoice. I contacted Mr. P and he indicated to me that he did not have a contract for the invoice period. I then inquired as to why was he performing service without a contract from the Office. Mr. P indicated to me that he had a oral agreement from Mr. Holman. Mr. P indicated that he had informed Mr. Holman in the early part of November that his contract had expired. However, Mr. Holman orally agreed to extend the contract. In fact, Mr. P informed me that he had received compensation on a prior invoice to which he had no contract. The invoice that Mr. P was referencing was dated November 13, 2001 and \$2,550.00 was requested by Mr. P for services rendered. Accordingly, after confirmation with Mr. P was indeed paid on a oral contract acquiesced by Mr. Holman.

I informed Mr. Holman that Mr. P had indicated that he had orally agreed to the invoice period. Mr. Holman then stated that he would handle the matter. However, Mr. Holman presented the invoice to me and requested that I review the invoice to determine whether all of the services were valid. I, along with the assistance of (Chief Hearing Officer) reviewed the documents that Mr. P had prepared for the referenced matter. My review of his contract indicated that either Mr. P's services were duplicated or that the service that he rendered was not necessary. I then prepared a memorandum to Mr. Holman informing him of my review. Mr. Holman was not very happy and on April 23, 2001, he requested me to meet with Mr. P. I discussed the matter with Mr. P over the telephone. Mr. P was very upset that I had modified his invoice. Mr. P contacted Mr. Holman. Mr. Holman then again stated to me that I must resolve the billing conflict with Mr. P. I indicated to Mr. Holman that I could not resolve the conflict because Mr. P was not amenable to accepting an adjustment amount, he was insisting on the total amount of the invoice. At that point, Mr. Holman indicated to me that somehow I would have to resolve the matter.

On May 14, 2001, Mr. Holman again informed me that he wanted me to meet with Mr. P to resolve the matter. He indicated that he would sit in on the meeting. He also requested that , his newly arrived Special Assistant attend the meeting. Nothing was resolved at the meeting. Mr. P again stated that he was acting at the oral direction of Mr. Holman. On the evening of May 14, 2001, Mr. Holman informed me that would now be supervising my efforts in resolving the conflict with Mr. P. I indicated to Mr. Holman, that I was never going to acquiesce in the office paying the entire amount of the contract to Mr. P. Currently, Mr. Holman did pay the entire amount of Mr. P's invoice.

After I voiced my concerns and review of the P oral contract, Mr. Holman has done some very demeaning things to me. He has taken away all of my duties as the Supervisor of investigators. He has taken away my work place, performed a search of my office, computer, and E-mail files. He has written me approximately three discipline memorandums in one month and the information in the discipline memorandums was false. He has also attempted to convey to the staff that I was not a team player by not allowing me to attend mandatory staff meetings, locking me out of my office, disallowing me leave for an emergency, shouting at me and making

demeaning nonverbal expressions toward me. There are additional incidents that I will provide to your office by mail.

I believe that Mr. Holman has participated in a prohibited act by first requesting that I review an invoice in which there was no written contract; by orally agreeing to a contract with Mr. _____; by threatening me with termination if there are any further conflicts with Mr. _____; by attempting to make me quit by making my stay in the office very unpleasant.